



# SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

## LABOR FORCE TRENDS

The Seaport seasonally adjusted unemployment rate in July remained at the June rate of 4.0 percent, as shown in Seaport Table 1. In July 2003 the rate was 4.6 percent. The Seaport's *Nonfarm Payroll Jobs* in July 2004 increased by 150 jobs from the previous month. Most of the employment increase occurred because of increased activity in *Construction*. Both sectors of *Construction*, residential and industrial, increased during the month. Though *Construction* increased in July, employment totals for the industry were still below July 2003.

## SPECIAL TOPIC:

### Unemployment Insurance

Besides helping unemployed individuals and families transition from one job to another, unemployment insurance (UI) acts as an automatic economic stabilizer. When a business has to lay an employee off, UI benefits offset some of the effects of the job loss on the worker and, in the case of major layoffs, on a community's spending power. UI also promotes stability by making it possible for employers to retain workers during the off-season or a short downturn. Many seasonal industries would find it much more difficult to attract and retain employees if their workers could not rely on UI benefits to help support them through the off-season. In North Central Idaho, \$10,873,815 was paid out in UI benefits for the fiscal year ending June 2004,

Seaport Table 1: Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Jul 2004*	Jun 2004	Jul 2003	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	35,580	35,210	35,770	1.1	-0.5
Unemployment	1,420	1,400	1,630	1.4	-12.9
% of Labor Force Unemployed	4.0	4.0	4.6		
Total Employment	34,160	33,810	34,140	1.0	0.1
<b>Unadjusted</b>					
Civilian Labor Force	35,500	35,230	35,690	0.8	-0.5
Unemployment	1,310	1,300	1,470	0.8	-10.9
% of Labor Force Unemployed	3.7	3.7	4.1		
Total Employment	34,190	33,930	34,220	0.8	-0.1
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	26,170	26,020	26,790	0.6	-2.3
<b>Goods-Producing Industries</b>	4,650	4,540	4,860	2.4	-4.3
Natural Resources & Mining	220	230	240	-4.3	-8.3
Construction	1,260	1,160	1,370	8.6	-8.0
Manufacturing	3,170	3,150	3,250	0.6	-2.5
Wood Product Manufacturing	550	560	520	-1.8	5.8
Food Manufacturing	290	250	270	16.0	7.4
Paper Manufacturing	1,190	1,190	1,170	0.0	1.7
Other Manufacturing	1,140	1,150	1,290	-0.9	-11.6
<b>Service-Providing Industries</b>	21,520	21,480	21,930	0.2	-1.9
Trade, Transportation & Utilities	5,470	5,390	5,510	1.5	-0.7
Wholesale Trade	640	630	650	1.6	-1.5
Retail Trade	3,570	3,540	3,580	0.8	-0.3
Utilities	90	90	90	0.0	0.0
Transportation & Warehousing	1,170	1,130	1,190	3.5	-1.7
Information	370	370	390	0.0	-5.1
Financial Activities	1,850	1,850	1,860	0.0	-0.5
Professional & Business Services	1,340	1,380	1,440	-2.9	-6.9
Education & Health Services	4,000	4,020	3,990	-0.5	0.3
Leisure & Hospitality	2,480	2,450	2,640	1.2	-6.1
Other Services	1,080	1,060	1,100	1.9	-1.8
Government Education	2,260	2,210	2,120	2.3	6.6
Government Administration	1,860	1,900	2,050	-2.1	-9.3
Government Tribes	810	850	830	-4.7	-2.4

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Seaport Table 2: Amount of Unemployment Insurance Payments

County	Number of Weeks Paid			Dollar Amount Paid		
	State Fiscal Year			State Fiscal Year		
	2004	2003	Change	2004	2003	Change
Clearwater	8,037	9,758	-1,721	\$1,905,101	\$2,301,314	-\$396,213
Idaho	12,357	13,757	-1,400	\$2,719,487	\$3,068,135	-\$348,648
Latah	10,169	12,578	-2,409	\$2,351,359	\$2,978,774	-\$627,415
Lewis	644	1,033	-389	\$132,951	\$210,411	-\$77,460
Nez Perce	17,604	19,087	-1,483	\$3,764,917	\$4,105,997	-\$341,080
<b>Total North Central Idaho</b>	<b>48,811</b>	<b>56,213</b>	<b>-7,402</b>	<b>\$10,873,815</b>	<b>\$12,664,631</b>	<b>-\$1,790,816</b>

down \$1,790,816 from 2003. For a breakdown of dollars paid and numbers of weeks paid in the region in 2002 and 2003, see Seaport Table 2 on page 9.

## AREA DEVELOPMENTS

### Idaho and Lewis Counties

- Bennett Forest Industries (BFI) has announced it will be moving its Elk City sawmill to Grangeville. BFI already has a planing and shipping facility in Grangeville, and will upgrade and expand facilities to accommodate the new sawmill. BFI officials cited the need to improve production and to be more centrally located to its available resource base as factors dictating the move. In addition, they tentatively plan to have the Grangeville sawmill fully operational by October 2005. No jobs are expected to be lost. Instead the company estimates 10 to 15 new jobs will be created, but the jobs will be in Grangeville instead of Elk City. No information was available on how many current employees would follow the mill to Grangeville. "This is a step our company has evaluated for several years," stated company CEO Scott Atkison in a prepared release. "We believe it is a necessary change if we are to prosper in the highly competitive lumber industry." Approximately 75 people are employed at the Elk City facility.
- Several businesses have opened recently in Craigmont. Prairietech, a computer repair and video rental business, opened at 19 Main Street. A new branch of the Cottonwood Community Federal Credit Union opened at 221 Main Street in Craigmont. About 25 to 30 percent of the credit union's customers live in the Craigmont area. The new branch offers services such as savings and checking accounts, credit cards, lines of credit, agricultural production loans, and home, business, and car loans. Entrepreneurs are breathing new life into the long-neglected Camas Club and Craigmont Hotel. The group is renovating the historic building and has already opened a restaurant and bar in the building. Renovation of the upstairs hotel rooms, which have been closed for more than 30 years, is ongoing.

### Latah County

- Hewlett-Packard, one of the nation's leading computer and printer manufacturers, has awarded a financial grant to the University of Idaho for research that includes technology that could give computers the ability to think like people. "We're looking for the neural network to pos-

sibly facilitate our product development process," said Ken Lindblom, research and development section manager for Hewlett-Packard's Boise operation. Lindblom said the work by a team of Idaho researchers, led by inventor Richard Wells, could speed up research processes. Wells said the neural network project itself could enable computers or robots to make rapid computations of more complex information than scientists believed possible. There already is software being used by some industries to achieve that kind of result, but Wells has provided the first hardware system. A patent is pending on the technology, and Gene Merrell of the Idaho Research Foundation Inc., which oversees university patents and licenses technology, said forming a neural network on a microchip could revolutionize the way computers function.

- The National Institutes of Health is awarding Idaho universities \$16.1 million to build a biomedical research network. The five-year grant is the largest single educational and research grant in state history. It will establish a research network among nine universities and colleges, and two research centers, all within Idaho. University of Idaho (UI) will receive \$5.1 million over five years from the grant. School officials said the network would help the state build a biotechnology industry, keeping Idaho graduates within the state's borders. Under the grant, university and college students will work with researchers on several projects, including studying Alzheimer's disease, viral birth defects, cancer and chemotherapy drugs, and alcohol dependence. The grant will build on the Biomedical Research Infrastructure Network created by UI, Boise State University, and Idaho State University in 2001.

### Nez Perce And Asotin (Wa.) Counties

- Potlatch Corporation has announced it is selling oriented strand board (OSB) plants in Grand Rapids, Bemidji and Cook, all in Minnesota, to Ainsworth Lumber Co. Ltd., headquartered in Vancouver, British Columbia. The deal, which is subject to closing conditions such as regulatory clearances, is expected to close by the end of the third quarter. OSB has been the powerhouse in Potlatch's financial recovery that followed three years of losses that ended in 2002. The sale will also help Potlatch move toward its goal of debt reduction by providing it with almost enough

*Continued on page 14*

August. The café serves soups, salads, and sandwiches from 8:00 a.m. to 3:00 p.m. Monday through Friday.

#### Kootenai County

- Kootenai Medical Center (KMC), the hospital in Coeur d'Alene, recently began a \$3.4 million construction project that will double the size of its emergency department and increase lab space by 30 percent when completed by June 2005. In September KMC began construction of a \$5 million parking garage with more than 400 parking spaces. KMC also unveiled a new heart center this year. KMC has added more than 90 jobs since last fall, so it now employs about 1,620 people. KMC is the Panhandle's largest employer; it employs more Panhandle residents than either the federal government (1,460 employees in July) or the state government (1,540).
- The University of Idaho Research Park in Post Falls welcomed BAI Security as its newest tenant in August. Chicago-based BAI Security is a managed security service provider that safeguards the information assets of small to mid-sized organizations. BAI identifies suspicious activities and then takes steps to prevent theft of information or other security breaches. Over the next year, BAI plans to build a sales force of 10 to 12 in Post Falls to serve the western United States. BAI is a good fit for the research park because the University of Idaho is

considered an emerging leader in the research and development of security technology.

- Best Buy Co. plans to open a \$3.5 million, 20,000-square-foot electronics store at 425 Wilson Avenue in Coeur d'Alene. The store, located just north of the mini-mall containing Borders, T.J. Maxx, and Petco, will be accessible from Highway 95. When the first Best Buy store in North Idaho opens this coming spring, it will employ 90 people selling TVs, stereos, DVDs, CDs, entertainment software, and appliances.

#### Panhandle

- The Idaho Travel Council recently granted nearly \$450,000 to tourism groups in the Panhandle. The recipients and the amounts they received include: the Coeur d'Alene Area Chamber of Commerce, \$262,150; the Greater Sandpoint Chamber of Commerce, \$62,319; North Idaho Tourism Alliance, \$58,468; the Post Falls Chamber of Commerce, \$54,000; the northern chapter of the Idaho Outfitters and Guides Association, \$8,000; and the northern chapter of the Idaho RV Campgrounds Association, \$3,000. The money will be used to market Panhandle communities to tourists.

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## SEAPORT NEWS — (continued from page 10)

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money to meet all of its debt when combined with cash on hand. Potlatch will continue to operate a lumber mill at Bemidji and, as Minnesota's largest private forest landowner, it will manage 320,000 acres of forest lands.

- An agreement has been reached between Delta Air Lines, the City of Lewiston, and Valley Vision (Nez Perce & Asotin Counties' economic development organization) for a Delta Connection carrier such as SkyWest, to provide four flights a day on a 50-passenger jet. Two daily round-trip nonstop flights from Lewiston to Salt Lake City are expected to begin a one-year trial starting February 1. The agreement guarantees Delta or a subsidiary will get as

much as \$3,500 per flight, with the amount reduced depending on the number of seats sold. The money is provided by a federal Department of Transportation Small Community Air Service Development Grant awarded to the city a year ago. Salt Lake City, which is only 80 minutes away, is a hub with connections available to the Midwest, East Coast, and southern cities.

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